

Patricia M. French  
Senior Attorney



300 Friberg Parkway  
Westborough, Massachusetts 01581  
(508) 836-7394  
(508) 836-7039 (facsimile)  
[pfrench@nisource.com](mailto:pfrench@nisource.com)

July 6, 2005

BY OVERNIGHT DELIVERY AND E-FILE

Mary L. Cottrell, Secretary  
Department of Telecommunications and Energy  
One South Station  
Boston, MA 02110

Re: Bay State Gas Company, D.T.E. 05-27

Dear Ms. Cottrell:

Enclosed for filing, on behalf of Bay State Gas Company ("Bay State"), please find Bay State's responses to the following information requests:

From the Attorney General:

AG-22-16      AG-22-33

From the Department:

DTE-10-2

From MOC:

MOC-3-1      MOC-3-2      MOC-3-3      MOC-3-4      MOC-3-5  
MOC-3-6      MOC-3-7      MOC-3-8

From MP:

MP-1-4      MP-1-8      MP-1-20      MP-1-21      MP-1-22  
MP-1-23

Please do not hesitate to telephone me with any questions whatsoever.

Very truly yours,

Patricia M. French

cc: Per Ground Rules Memorandum issued June 13, 2005:

Paul E. Osborne, Assistant Director – Rates and Rev. Requirements Div. (1 copy)

A. John Sullivan, Rates and Rev. Requirements Div. (4 copies)

Andreas Thanos, Assistant Director, Gas Division (1 copy)

Alexander Cochis, Assistant Attorney General (4 copies)

Service List (1 electronic copy)

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
TWENTY-SECOND SET OF INFORMATION REQUESTS FROM THE ATTORNEY  
GENERAL  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

AG-22-16      Refer to Exhibit JAF-3, page 15. Are there any utilities under the Department's jurisdiction that are recovering lost base revenues as part of their PBR adjustment mechanism, in addition to a energy efficiency adjustment made to sales volumes? Please citations to all Department orders approving such recovery.

Response:      The Company is proposing to recover lost base revenues through an energy efficiency savings adjustment to base rates each year as part of its Annual Base Rate Adjustment Mechanism (ABRAM). It is not proposing to also recover lost base revenues as part of the PBR adjustment mechanism, which is a separate component of the ABRAM.

The Company is not aware of any utilities recovering lost base revenues from both through the PBR adjustment mechanism and by adjusting sales volumes for energy efficiency savings.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
FIFTEENTH SET OF INFORMATION REQUESTS FROM THE D.T.E.  
A.G.-22-33

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

AG-22-33: Please explain, in detail, how the Company determined the R-2 and R-4 bill determinants. Include all supporting documentation, workpapers, calculations and assumptions.

Response:

The Company determined the R-2 and R-4 billing determinants as it determined all other rate class billing determinants. See the testimony of Joseph A. Ferro, Exhibit BSG/JAF-1 and all pertinent schedules.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
TENTH SET OF INFORMATION REQUESTS FROM THE D.T.E.  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

- DTE-10-2 Please refer to Exh. BSG/JAF-1, at 39. The Company states "there is no revenue adjustment associated with the proposed Meter Test Fee because there were no meter test charges in the test year, and as such none projected into the rate year."
- A) Explain why the company did not assess meter test charges in the test year;
- B) please explain why the company does not project assessing meter test charges in the rate year.
- C) explain whether the company anticipates it will begin assessing meter test charges and detail the reasons the company would find implementation of these charges are necessary.

Response:

- A) In the test year 2004 the Company tested three non-residential meters, all of which tested accurately (within +/- 2%). See Attachment AG-911-d and response to DTE-10-1. Thus, the Company could have charged for three meters, pursuant to its tariff. However, the Company chose not to charge for these three tests, primarily because it had no procedure in place to assess the charge through its customer billing system, and secondarily, the nominal \$10.00 fee did not justify any special / manual process to assess the charge.
- B) Generally, the most recent year, the test year, is the best indicator of what is likely to occur in the rate year. The witness picked up zero charges and projected zero accordingly. In addition, the Company anticipates no increase in the current low volume of customer requests for meter tests primarily because it receives actual readings from at least 97% of its meters through the implementation of the radio-based AMR system. Receiving mostly actual readings results in less long reads (from previous top current actual meter readings) and in turn less customer disputes regarding inaccurate meter readings.
- C) The Company anticipates a continuation of very few occasions that will warrant the Company assessing meter test charges. However, in the event a fee assessment is warranted, the Company believes it should be more reasonably representative of the cost.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
THIRD SET OF INFORMATION REQUESTS FROM THE MASS OIL HEAT COUNCIL  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MOC-3-1 For each heating season commencing with 2002-2003 through 2004 - 2005, please provide the following:

- (1) the number of times the Company has interrupted its gas interruptible customers (if applicable, separately state temperature controlled customers);
- (2) the dates and duration of each interruption;
- (3) the type of backup fuel used by each customer;
- (4) the reason for such interruption; and
- (5) the amount of natural gas that would have been consumed by each customer had they not been interrupted.

Response: (1) The Company interrupts all its interruptible gas customers every winter from approximately early or mid December to early or mid March.

(2) See part (1).

(3) Of the current (as of April 2005) interruptible customer base, the back-up or alternate fuel breakdown by number of customers is as follows:

- a. No. 2 Oil – 10
- b. No. 4 Oil – 6
- c. No. 6 0.5% - 1
- d. No. 6 1.0% - 14
- e. No. 6 2.2% - 5

(4) The Company interrupts its interruptible customers during peak demand months because (a) pipeline natural gas supply in excess of the supply needed for the Company's firm sales customers is typically not available for that period, and thus the marginal cost of gas to provide service or availability of supply could have excessive cost consequences for either the Company's firm sales or interruptible customers or firm supply reliability risks; (b) pressure or capacity to provide firm service at some areas of the local distribution system could be compromised with large takes from interruptible customers; and (c) many interruptible customers have expressed that they prefer avoiding turning their gas fired equipment on and off frequently; thus since service will not be available continuously through the peak

demand period they prefer and plan to use their oil for the entire period.

- (5) Not available, as the gas demand of these customers for especially this period is not known.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
THIRD SET OF INFORMATION REQUESTS FROM THE MASS OIL HEAT COUNCIL  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MOC-3-2 For each heating season commencing with 2002-2003 through 2004 - 2005, please provide the following:

- (1) the number of customers and number of times that the Company's interruptible customers chose to voluntarily interrupt service themselves and go to their backup fuel;
- (2) the dates and duration of each interruption;
- (3) the reason for such customer's voluntary interruption if known; and
- (4) the type of backup fuel used by each customer.

Response: (1) See response to MOC-3-1. Since all customers are interrupted, it is not known which customers might have voluntarily chosen to interrupt service. Also, many interruptible customers do not use gas throughout long periods of time, indicating they have chosen to use their alternate fuel, and making any voluntary interruption unclear.

(2) See part (1).

(3) See part (1).

(4) See part (1) and response to MOC-3-1.



COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
THIRD SET OF INFORMATION REQUESTS FROM THE MASS OIL HEAT COUNCIL  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MOC-3-3      Please identify and describe the Company's procedure of interrupting its interruptible customers. Please provide all relevant documentation.

Response:      Please see response to MOC-2-1, describing and presenting the general notifications to all interruptible customers. A "soft" curtailment is requesting and expecting customers to remain off. A "hard" curtailment involves the Company, after sufficient notification for customer planning, turning off the meter.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
THIRD SET OF INFORMATION REQUESTS FROM THE MASS OIL HEAT COUNCIL  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MOC-3-4      Please identify and describe the Company's policy, rules and/or procedure requiring its gas interruptible customers to have and maintain adequate backup fuel during periods of interruption. If such policy, rule or procedure is in writing, please provide such documentation, including any relevant tariff revisions.

Response:      Pursuant to the current Agreements of all interruptible gas sales customers, in Article 2: Conditions Precedent, the agreement is conditioned upon "evidence satisfactory to Bay State of Customer's ability to use an alternative fuel ...". However, under the Company's proposed Interruptible Transportation (IT) and Interruptible Gas Supply Agreements presented as tariff sheets No. 65 and No. 66, respectively, in Exhibit BSG/JAF-3, no such back-up fuel capability is required. Eliminating the requirement for dual fuel capability is consistent with Department directive on providing IT service issued in its order dated February 14, 1996 in D.P.U. 93-141-A, at 47.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
THIRD SET OF INFORMATION REQUESTS FROM THE MASS OIL HEAT COUNCIL  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MOC-3-5 Please identify and describe the manner and procedure by which the Company enforces its requirements and policies for:

- (1) the failure of a gas customer to interrupt when so demanded by the Company; and
- (2) the failure of the gas interruptible customer to comply with and maintain adequate backup fuel for interruption.

Response: (1) See response to MOC-2-1. Under the "soft" curtailment procedure, the customer would first be assessed an authorized use charge for any gas used during the curtailment period. However, because an interruptible customer having access to drawing gas from the Company's distribution system 365-days a year represents taking a service that is much more costly than virtually any unauthorized use charges, and more critically, may put at risk the reliable service to firm customers, the Company's responsible action would be to shut-off service to the customer.

(2) Under current contractual arrangements, the Company could, but has never had cause to, shut-off service. Under proposed tariff/agreement terms, the Company will not require dual fuel capability. However, consistent with Department directive in D.P.U. 93-141-A, the Company is expected to require interruptible customers to demonstrate the capability of either ceasing operations or switching to an alternative fuel. If the customer does not have such capability, the Company would not offer or continue to offer interruptible service.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
THIRD SET OF INFORMATION REQUESTS FROM THE MASS OIL HEAT COUNCIL  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MOC-3-6      Provide any study, research, reports, or other documents prepared by or for the Company concerning forecasts of growth, in terms of the number of customers and quantity of gas needed, for future gas interruptible customers.

Response:      The Company does not have available any such studies or reports, primarily because the future gas use of these customers is dependent on many factors, including oil prices, natural gas prices, weather conditions and the economy. For short term forecast purposes, the Company typically projects the same or similar gas use of these customers as the use experienced in the previous year or recent years, implying that the relationship between oil and natural gas prices will be maintained.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
THIRD SET OF INFORMATION REQUESTS FROM THE MASS OIL HEAT COUNCIL  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MOC-3-7 Please provide a list of the AFUE ratings, or other efficiency ratings, of all appliances and/or equipment (i.e. furnaces, boilers, etc.) that the Company offers for sale to existing and new customers. Please indicate whether the terms of sale are different for existing or new customers and whether such equipment is offered to existing or new customers at cost, market value, free of charge, with a rebate, or with any other discount.

Response: Attachment MOC-3-7 lists the make, model, equipment type, and AFUE/efficiency rating of all equipment that the Company offers for sale to existing and new customers. The terms of sale are the same for both existing and new customers. The cost of the installation will differ depending on type of equipment and the amount of labor and materials that is involved for that particular installation. The cost is based on market value for both existing and new customers. A high efficiency rebate is available to all Bay State customers through Gas Networks for equipment that meet certain efficiency standards as long as a licensed contractor installs the equipment and all necessary permits are obtained. The table below (Table MOC-3-7) presents the required efficiency ratings to qualify for the rebate.

TABLE MOC-3-7

<b>Rebate</b>	<b>Equipment</b>	<b>AFUE Rating</b>
\$150	Warm Air Furnace	90% or greater
\$200	Steam Boilers	82% or greater
\$500	Hot Water Boilers	85% or greater
\$300	Indirect Water Heater	Attached to natural gas hot water boiler

Bay State will occasionally offer additional rebates depending on the time of the year, the current workload, and the availability of required manpower.

<b>Make</b>	<b>Model</b>	<b>Equipment Type</b>	<b>Afue Rating</b>
Weil McLain	CGa-25	Boiler	84.0%
Weil McLain	CGa-3	Boiler	84.0%
Weil McLain	CGa-4	Boiler	84.0%
Weil McLain	CGa-5	Boiler	83.5%
Weil McLain	CGa-6	Boiler	83.2%
Weil McLain	CGa-7	Boiler	83.0%
Weil McLain	CGa-8	Boiler	82.7%
Weil McLain	CGi-25	Boiler	84.0%
Weil McLain	CGi-3	Boiler	84.3%
Weil McLain	CGi-4	Boiler	84.0%
Weil McLain	CGi-5	Boiler	83.7%
Weil McLain	CGi-6	Boiler	83.3%
Weil McLain	CGi-7	Boiler	83.0%
Weil McLain	CGi-8	Boiler	82.7%
Weil McLain	CGs-3	Boiler	85.3%
Weil McLain	CGs-4	Boiler	84.6%
Weil McLain	CGs-5	Boiler	84.0%
Weil McLain	CGs-6	Boiler	83.4%
Weil McLain	GV-3	Boiler	87.5%
Weil McLain	GV-4	Boiler	87.3%
Weil McLain	GV-5	Boiler	87.2%
Weil McLain	GV-6	Boiler	87.0%
Weil McLain	EG-30	Boiler	83.0%
Weil McLain	EG-35	Boiler	82.9%
Weil McLain	EG-40	Boiler	82.9%
Weil McLain	EG-45	Boiler	82.9%
Weil McLain	EG-50	Boiler	82.8%
Weil McLain	EG-55	Boiler	82.8%
Weil McLain	EG-60	Boiler	83.0%

<b>Make</b>	<b>Model</b>	<b>Equipment Type</b>	<b>Energy Factor</b>
Weil McLain	Gold Plus 30	Indirect Water Heaters	NA
Weil McLain	Gold Plus 50	Indirect Water Heaters	NA
Weil McLain	Gold Plus 60	Indirect Water Heaters	NA
Weil McLain	Gold Plus 80	Indirect Water Heaters	NA
Rheem	42V40S-40F	Water Heater	0.59
Rheem	42VR40-40F	Water Heater	0.62
Rheem	42V50-40F	Water Heater	0.58
Rheem	42VR50-40F	Water Heater	0.62
Rheem	41VRP-40	Water Heater	0.64
Rheem	41VRP-50	Water Heater	0.65
State	BS6-4NOZT	Water Heater	0.61
State	BS6-4NOZT	Water Heater	0.61

<b>Make</b>	<b>Model</b>	<b>Equipment Type</b>	<b>Afue Rating</b>
Comfort-Aire	GMUH 50-E3N	Furnace	81.4%
Comfort-Aire	GMUH 75-E3N	Furnace	80.6%
Comfort-Aire	GMUH 100-E3N	Furnace	80.0%
Comfort-Aire	GMUH 125-E5N	Furnace	80.0%
Comfort-Aire	GMUH 150-E5N	Furnace	80.0%
Comfort-Aire	GMDA 50-E3N	Furnace	82.2%
Comfort-Aire	GMDA 75-E3N	Furnace	80.5%
Comfort-Aire	GMDA 1000-E3N	Furnace	80.2%
Comfort-Aire	GMDA 125-E5N	Furnace	80.0%
Comfort-Aire	GMDA 150-E5N	Furnace	80.0%
Comfort-Aire	GLUA 45-E3A	Furnace	92.0%
Comfort-Aire	GLUA 60-E3A	Furnace	92.0%
Comfort-Aire	GLUA 75-E3A	Furnace	92.0%
Comfort-Aire	GLUA 90-E5A	Furnace	92.0%
Comfort-Aire	GLUA 100-E5A	Furnace	92.0%
Comfort-Aire	GLUA 120-E5A	Furnace	92.0%
Comfort-Aire	GLDH 45-E3A	Furnace	92.0%
Comfort-Aire	GLDH 60-E3A	Furnace	92.0%
Comfort-Aire	GLDH 75-E3A	Furnace	92.0%
Comfort-Aire	GLDH 90-E5A	Furnace	92.0%
Comfort-Aire	GLDH 100-E5A	Furnace	92.0%
Comfort-Aire	GLDH 120-E5A	Furnace	92.0%
Thermo Pride	GMD1-80	Mobile Home Furnace	81.0%

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
THIRD SET OF INFORMATION REQUESTS FROM THE MASS OIL HEAT COUNCIL  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MOC-3-8      Please state whether the Company provides any type of guarantee to conversion customers from an alternate fuel to natural gas. If so, please provide the following further information:

- (1) any statement, or document that details the Company's guarantee;
- (2) whether such guarantee applies to the Company's representations on price; and
- (3) for each year commencing from 2002 to 2005 (to date), the number of customers that have exercised their rights under the Company's guarantee, the nature of the claim and the Company's response thereto.

Response:      No guarantee is provided to conversion customers from an alternate fuel to natural gas.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
FIRST SET OF INFORMATION REQUESTS FROM MASSPOWER  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MP 1-4      Refer to Exh. BSG/JAF-2 at 20. Please provide the calculation and basis for a total allocation of the proposed rate increase to the referenced special contract customer of \$418,748.00. Please provide all communications, documents and work papers related thereto.

Response:      The Company needs and requests to correct its statement on page 20 of Exhibit JAF/BAG-2, where it represents that the \$418,748 increase was the result of applying a 15.7% increase to that special contract customer's test year revenues. On page 20 of the testimony Mr. Ferro explains that the 15.7% percentage was derived by dividing the Company's requested \$22.24 million increase by test year delivery service (or base rate) revenue of \$141.35 million. It has since come to the Company's attention that the \$418,748 allocation of the Company's proposed increase was the result of a 16.75% increase to base or delivery service revenues, since through the Allocated Cost of Service (ACOS) study, there was a shift of \$1.44 million from gas supply (production) to base rates (distribution). The 16.75% was derived in the ACOS as:  $(\$22.24 + \$1.44 \text{ or } \$23.68) / \$141.35$ . Since this customer's test year revenue was \$2,500,200, 16.75% results in the \$418,738 increase. Please see as Attachment MP-1-4, an extraction of a portion of the ACOS that derived the increase in delivery service revenue requirement and determined such increase as the 16.75 % of test year delivery service revenue.



Bay State Gas Company  
Extraction from ACOS of Delivery Service Revenue,  
Proposed Revenue Increase and Resulting Allocation of Special Contract Increase

Attachment MP-1-04

**DELIVERY SERVICE**

1 Present Rate Revenues Lines 2,3,7 & 8		137,844,867
2 Special Contracts	2,500,200	
3 Special Contracts - Other	1,002,065	
4 TotalSpecial Contracts from COS Present revenues		<u>3,502,265</u>
5 Total Present Revenues COS		<u>141,347,132</u>
6 Delivery revenue Requirements Firm customers		161,102,537
7 Special Contracts from COS Present revenues		3,502,265
8 Special Contracts Increase		<u>418,748</u>
9 Total Delivery Service Revenue Requirements		<u>165,023,551</u>
10 Less: Present Revenues		<u>141,347,132</u>
11 Increase Delivery Service		<u>23,676,419</u>

**Percent Increase**

**Delivery Service**

16.75% Line 11 divided by 5

**PRODUCTION COMPONENT**

12 Present CGA Revenues in COS - Lines 5 & 6		16,247,797
13 Production Component Revenues Requirements		339,368,322
14 Less: Direct Gas Costs - Line 4 & 9		<u>324,558,618</u>
15 Total Indirect Gas Costs		<u>14,809,704</u>
16 Less: Present CGA Revenues in COS		<u>16,247,797</u>
17 Decrease Production Revenues		<u>-1,438,093</u>
18 Net Increase of Delivery & Decrease of Production		<u>22,238,325</u>

**COMPONENTS OF INDIRECT GAS COSTS**

19 LNG & LPG Excluding Bad Debts		5,258,855
20 Bad Debts		7,082,443
21 Dispatching & Acquisition		1,491,704
22 Other A&G and Miscellaneous		<u>976,702</u>
23 Total Indirect Gas Costs		<u>14,809,704</u>

**RATE DESIGN INCREASE DELIVERY SERVICE**

24 Increase Delivery Service		23,676,419
25 Less: Pension Costs		5,630,282
26 Less: Other Fees		46,525
27 Less: Special Contract Increase		<u>418,748</u>
28 Base Rate Increment		<u>17,580,863</u>

**Percent Increase**

**Special Contracts**

16.75% Line 2 divided by 25

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
FIRST SET OF INFORMATION REQUESTS FROM MASSPOWER  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MP 1-8      Has the Company considered seeking an adjustment pursuant to Section 6 of the Agreement at any time prior to this proceeding? If so, please provide any correspondence or documents related thereto.

Response:    The Company and MassPower have had discussions regarding either an adjustment to the Agreement or alternatively, termination to the Agreement and the execution of a new agreement for the remaining term of the existing Agreement. There has been no written and/or formal correspondence between the parties related to these discussions.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
FIRST SET OF INFORMATION REQUESTS FROM MASSPOWER  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MP 1-20      Please provide copies of all notices and communication by Bay State to  
MASSPOWER pursuant to Article 6 of the Agreement.

Response:    Until the filing of the proposed rate increase in this instant proceeding,  
Bay State has had no cause to, and thus has not sent any notices or  
communicated to MassPower regarding any change to the special  
contract demand charge or interruptible transportation rate in connection  
with Article 6 of the Agreement. With respect to this proposed rate  
increase, the Company had discussed with MassPower in late 2004 its  
plans on filing for a base rate increase and that such a filing would impact  
the charges to MassPower. No written notice or communications was  
additionally sent to MassPower.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
FIRST SET OF INFORMATION REQUESTS FROM MASSPOWER  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MP 1-21      Please provide copies of all notices and communications made by Bay State to MASSPOWER pursuant to Article 15 of the Agreement.

Response:    Article 15 of the Agreement sets out for MassPower to give Bay State written notice of any modifications to its supplier or pipeline transportation agreements that would impact those resources needed to deliver the Customer's gas to Bay State's distribution system. These agreements are not with Bay State, nor does this article pertain to Bay State agreements. Thus, Bay State has not given notice to MassPower of any upstream (supply or transportation / capacity) agreements pursuant to Article 15.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
FIRST SET OF INFORMATION REQUESTS FROM MASSPOWER  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MP 1-22      Please provide copies of all notices and communications made by Bay State to MASSPOWER pursuant to Article 24 of the Agreement.

Response:    Please see Bay State's response to MP-1-20.

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE  
FIRST SET OF INFORMATION REQUESTS FROM MASSPOWER  
D. T. E. 05-27

Date: July 6, 2005

Responsible: Joseph A. Ferro, Manager Regulatory Policy

MP 1-23      Please provide copies of all communications made by Bay State to  
MASSPOWER pursuant to Article 25 of the Agreement.

Response:    No documentation has been retrieved that demonstrates a  
contemporaneous communication to MassPower of a copy of the filed  
tariff and Terms and Conditions or any amendments or supplements  
thereto pursuant to Article 25. Nonetheless, the contractual terms under  
which Bay State has provided service to MassPower over the years  
supercedes such tariff or Terms and Conditions, for MP service beginning  
with the Commencement Date in August 1993.